(b) Docs not arise.

(c) According to information r]eceived from the Government of Orissa, the final composite concept report for the steel plant which is being set up in association with the Caparo Group, has been prepared by the consultants. The modalities for setting up of the steel plant, and the technology to be adopted are being finalised. The first phase of the project will be for one million tonnes per annum and the next phase is proposed to be for another two million tonnes per annum. Forest clearance as well as environment clearance of Government of India in principle has been received. Out of about 8500 Hectares of land proposed to be acquired/alienated in 31 villages, land acquisition/alienation in respect of about 4000 hectares in 9 villages is going on. A suitable rehabilitation package has been finalised for the oustee families. The expected date of commencement of work of the project is April 1993 and the project may take about 45 months to be completed.

Use of silicon in Visakhapatnam Steel Plant

2939. DR. YELAMANCHILI SIVAJI: Will the Minister of STEEL be pleased to state:

(a) how much silicon was used in steel melting shop of Visakhapatnam Steel Plant;

(b) are there any reports of large scale fraud in silicon supply as reported in various local newspapers during the second week of October;

(c) if so, what are the details thereof; and

(d) what steps have been taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) The management of Visakhapatnam Steel Plant has reported that a quantity of 2575 tonnes (approximately) of Silicon Manganese has been issued for use in Steel Melting Shop of Visakhapatnam Steel Plant (VSP) for the year 1992-93 till 30th November, 1992.

(b) and (c) Yes, Sir. There was an attempted fraud by the transporter of the Silico Manganese of M/s. Ispat Alloys Limited, Calcutta, one of the three suppliers for this material.

During October, 1992, some gunny bags meant for packing of the Silico Manganese and bearing the mark of M/s. Ispat Alloys Limited were found scattered in the plant peremises. These bags contained spurious material like sand, stone etc. On stock verification at the Ferro Ailoy Stores of VSP, it was found that 1306 bags (52.24 t) of Silico Manganese were short received and 403 bags (16.12 t) of Silico Manganese were found to contain spurious materials. During this period, one of the trucks which arrived with Silico Manganese on 9.10.1992 was seized and it was found to contain some spurious material. A complaint was lodged with Police for attempted fraud on VSP. According to Ispat Alloys Limited, there was an organised gang in Orissa who indulged in this kind of frauds in collusion with the transporters. M/s. Ispat Alloys Limited have also lodged a complaint with Orissa Police, who are also investigating the matter.

(d) In terms of the contract with VSP, M/s. Ispat Alloys Limited have agreed to replace all the discrepant material as well as to make up the shortage amounting to 68.36 tonnes valued at Rs. 15.444 lakhs. A weigh-bridge by the side of Ferro Alloy Stores has been installed and will be put into operation shortly. This will facilitate the weighment of the material right at the Ferro Ailoy Stores to avoid any possibility of malpractices.

Visakhapatnam Steel Plant Canteen Coupans

2940. DR. YELAMANCHILI SIVAJI: Will the Minister of STEEL be pleased to state: